

**The U.S. International Trade Commission  
Hearing on  
Olive Oil: Conditions of Competition between U.S. and Major Foreign Supplier Industries,  
Inv. No. 332-537  
Testimony of Sydne Smith on Behalf of  
Commissioner Gary W. Black  
December 5, 2012**

Good morning, I am Sydne Smith, Policy Director, Georgia Department of Agriculture representing Commissioner Black. Mr. Chairman and other Commission members, thank you for the opportunity to appear before you today to talk about the importance of the agriculture industry in Georgia.

With over a \$68 billion impact, agriculture is the leading industry in Georgia, employing one in seven Georgians. We lead the country in production of poultry, pecans, and peanuts. Cotton, peaches, fresh market vegetables, blueberries, and ornamentals are also prominent in our agricultural portfolio and, it is important to note that the famous Vidalia onions can only be found in our state. In the past few years, Georgia has added olives to its repertoire of agriculture products. Needless to say, Georgia has a vested interest in making sure our agricultural producers have an even playing field to competitively enter the global marketplace.

Georgia has recently re-entered the olive market. The first 17,000 trees were planted in South Georgia in 2009; and in 2011, Georgia Olive Farms harvested over two tons of olives equaling 55 gallons of olive oil. Olive oil experts were very pleased with this first harvest; some characterized it as the best. Estimates that I have been provided show that over the course of the next five years over 500 acres of olive trees will be producing trees with over a dozen new growers. Plans exist to construct a large olive mill to meet the State's 2013 harvest demands.

We are always excited to see our agriculture industry grow. A new industry creates new jobs, new investments, and a bright future especially in rural parts of state – parts that need new industry.

The United States consumes nine percent of the world's olive oil while producing .2 percent of the world's olive oil. These statistics have steadily increased over the past few years, and I believe these numbers will continue to grow.

Clearly olive production is in its infancy in Georgia. However, I would like to highlight that Georgia producers have a proven track record for success with new crops. In 2000, Georgia produced 5,607 acres of blueberries. According to University of Georgia Cooperative Extension, in 2008 Georgia ranked 4th in blueberry production by producing 41 million pounds. Georgia now grows more than 16 thousand acres of blueberries. The small, Georgia town of Alma hosts an Annual Blueberry Festival where the community not only celebrates and educates the blueberry industry, but also brings in visitors and much needed revenue to the town. Similar examples can be found throughout rural Georgia highlighting various crops; olives are no different. The impact reaches further than the farmers' pocket. Just look at Georgia blueberries.

U.S. olive growers and olive oil processors collectively receive little financial assistance from government programs. The U.S. government provides agricultural technology extension services to many crops including olives through a system administered by USDA's National Institute of Food and Agriculture (NIFA). NIFA provides funding for agricultural research and development. How does the government impact olive growers? In Georgia, discussions on

water conservation and availability continue to be a concern to the agriculture industry as a whole. This compounded with the burdensome environmental regulations continue to create challenges. Challenges, I would like to emphasize, that Georgia olive producers have met. As a state regulator, we have found Georgia Olive Farms in compliance with our Food Manufacturers regulations since 2011 when they first began to press olives. In Georgia, this industry continues to succeed and, I believe a bright future is ahead.

Additionally, I firmly believe that Americans should be informed consumers. Georgians increasingly prefer to buy locally grown and produced foods. With the steady increase in domestic consumption and domestic production, I predict consumers will choose domestic olive oil over imported olive oil. Americans prefer their products to be grown in America, and I support this preference.

I am thankful for the USITC looking into the olive industry. I encourage the commission not to underestimate the role the economy plays in the success and support of new crop production. This is a young, vibrant industry for Georgia, and we – government administrators – should help, not hinder.